UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

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In re : Chapter 9

CITY OF DETROIT, MICHIGAN, : Case No. 13-53846

Debtor. : Hon. Steven W. Rhodes

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STIPULATION BY AND BETWEEN THE CITY OF DETROIT AND THE PUBLIC SAFETY UNIONS REGARDING BALLOTS AND VOTING FOR PUBLIC SAFETY UNIONS

The City of Detroit (the "City") and the Detroit Fire Fighters Association, the Detroit Police Officers Association, the Detroit Police Lieutenants & Sergeants Association and the Detroit Police Command Officers Association (collectively, the "Public Safety Unions"), by and through each of their undersigned counsel, stipulate as follows:

1. On July 18, 2013, the City filed a petition for relief under Chapter 9 of title 11 of the United States Code (the "Bankruptcy Code"). On December 5, 2013, the United States Bankruptcy Court for the Eastern District of Michigan (the "Court") issued an opinion finding that the City is eligible for relief under Chapter 9 of the Bankruptcy Code (Docket No. 1945) and entered an order for relief in favor of the City (Docket No. 1946).

- 2. On February 21, 2014, the City filed the Plan for the Adjustment of Debts of the City of Detroit (February 21, 2014) (Docket No. 2708). On March 31, 2014, the City filed the Amended Plan for the Adjustment of Debts of the City of Detroit (March 31, 2014) (Docket No. 3380) (as it may be amended, modified or supplemented, the "Plan").
- 3. On March 11, 2014, the Court entered the Order (I) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment and (II) Approving Notice Procedures Related to Confirmation of the Plan of Adjustment (Docket No. 2984) (the "Solicitation Procedures Order"). The Solicitation Procedures Order established April 14, 2014 as the record date for purposes of determining which creditors are entitled to vote on the Plan.
- 4. The Public Safety Unions have filed a number of proofs of claim, including various omnibus proofs of claim (the "Omnibus Claims") that listed a variety of claims pertaining to their respective members.² Initially, the Public Safety Unions requested that ballots be sent to each of the union members identified in the Omnibus Claims. However, after further review of the nature of the Omnibus Claims and the rights and responsibilities of the Public Safety Unions

Capitalized terms not otherwise defined herein shall have the meaning given to them in the Plan.

The Omnibus Claims pertain to claims for defense and indemnification, discipline matters and grievances.

pertaining to said claims, the Public Safety Unions have informed the City that the Omnibus Claims, and any voting rights pertaining thereto, are properly exercised by the Public Safety Unions.

5. Therefore, the Public Safety Unions and the City have agreed that, subject to the terms and conditions of the Solicitation Procedures Order, (a) the Public Safety Unions will receive a solicitation package and a ballot for each proof of claim filed by the Public Safety Unions and (b) the Public Safety Unions shall have no more than one vote on the Plan with respect to each proof of claim filed by the Public Safety Unions. Individual members of the Public Safety Unions who are named in the Omnibus Claims shall not be entitled to receive solicitation packages or ballots, and shall not be entitled to vote on the Plan solely with respect to any proofs of claim filed by the Public Safety Unions. Nothing in this Stipulation shall limit the rights of any individual Public Safety Union member to vote regarding proofs of claims which he or she has individually filed, nor shall it limit the right of any individual Public Safety Union member as a Holder of a PFRS Pension Claim to receive a Solicitation Package and to vote on such claim, provided, however, that to the extent any proof of claim filed by an individual Public Safety Union member is duplicative of a proof of claim filed by the Public Safety Union, the individual union member shall not be entitled to vote on the Plan with respect to that individually-filed proof of claim.

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- 6. All of the terms and conditions of the Solicitation Procedures Order are incorporated herein.
- 7. The City and the Public Safety Unions agree to the proposed Order attached hereto as Exhibit 1 and request that the Court enter the same.

Dated: April 4, 2014

/s/ Julie Beth Teicher

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ATTORNEYS FOR THE CITY

EXHIBIT 1

Proposed Order

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

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In re : Chapter 9

CITY OF DETROIT, MICHIGAN, : Case No. 13-53846

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ORDER APPROVING STIPULATION BY AND BETWEEN THE CITY OF DETROIT AND THE PUBLIC SAFETY UNIONS REGARDING BALLOTS AND VOTING FOR PUBLIC SAFETY UNIONS

This matter is before the Court on the Stipulation by and Between the City of Detroit and the Public Safety Unions Regarding Ballots and Voting for Public Safety Unions (the "Stipulation"), ¹ filed by the City of Detroit (the "City") and the Detroit Fire Fighters Association, the Detroit Police Officers Association, the Detroit Police Lieutenants & Sergeants Association and the Detroit Police Command Officers Association (collectively, the "Public Safety Unions"). The Court has reviewed the Stipulation and finds that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and (b) this is a core proceeding pursuant to 28 U.S.C. §157(b).

¹ Capitalized terms not otherwise defined herein have the meanings given to them in the Stipulation.

ACCORDINGLY, IT IS HEREBY ORDERED THAT:

- 1. The Stipulation is APPROVED.
- 2. Subject to the terms and conditions of the Solicitation Procedures Order, (a) the Public Safety Unions shall each receive a solicitation package and a ballot for each proof of claim that they have filed and (b) the Public Safety Unions shall have no more than one vote on the Plan with respect to each proof of claim filed by the Public Safety Unions. Any ballots submitted by the Public Safety Unions shall be counted solely as set forth in the Solicitation Procedures Order.
- 3. Individual members of the Public Safety Unions who are named in the Omnibus Claims shall not be entitled to receive solicitation packages or ballots, and shall not be entitled to vote on the Plan solely with respect to any proofs of claim filed by the Public Safety Unions. Nothing in this Order shall limit the rights of any individual Public Safety Union member to vote regarding proofs of claim which they have individually filed, nor shall this Order limit the right of any individual Public Safety Union member as a Holder of a PFRS Pension Claim to receive a Solicitation Package and to vote on such claim, provided, however, that that to the extent any proof of claim filed by an individual Public Safety Union member is duplicative of a proof of claim filed by the Public Safety Union, the individual union member shall not be entitled to vote on the Plan with respect to that individually-filed proof of claim.

CERTIFICATE OF SERVICE

I, Heather Lennox, hereby certify that the foregoing *Stipulation by and Between the City of Detroit and the Public Safety Unions Regarding Ballots and Voting for Public Safety Unions* was filed and served via the Court's electronic case filing and noticing system on this 4th day of April, 2014.

/s/ Heather Lennox
